

For Immediate Release

February 2, 2017

Federal Program Offers \$50,000 to Homeowners with Underwater Mortgages

Illinois' I-Refi program provides \$50,000 in forgivable assistance to help borrowers reduce what they owe on their mortgage and refinance into new affordable loan

ROCKFORD – Mayor Larry Morrissey and Illinois Housing Development Authority Executive Director Audra Hamernik today announced that Rockford-area homeowners who owe more on their mortgage than their home is worth may be eligible to receive up to \$50,000 in federal assistance to buy down their mortgage and refinance into an affordable loan through the *I-Refi* program. A city dubbed the “Underwater Mortgage Capital of America” by the Wall Street Journal in 2013 has new hope for homeowners with underwater mortgages.

“Almost every homeowner in the nation saw their home values drop after the housing bubble burst,” said Hamernik. “While communities across Illinois are certainly recovering, not all markets have fully returned. We are excited to offer the opportunity for homeowners to right-size their mortgage through this truly one-of-a-kind program.”

The latest report by ATTOM Data Solutions, one of the nation’s largest property databases, found that Illinois is second in the nation with 20 percent of all homeowners seriously underwater on their mortgage. A similar study from ATTOM estimates that around 22,000 homes in Winnebago County were seriously underwater, highlighting the need for refinance assistance in the area.

If you suspect the current value of your home is less than the principal you owe on your mortgage, you may be eligible. You must be current on your mortgage (made your monthly mortgage payments for the past 12 months), have an annual household income of \$86,000 per year or less (\$74,000 for a household of two or less) and credit qualify. If you qualify, the *I-Refi* program will provide up to \$50,000 to reduce the balance owed on your mortgage and refinance you into a 30-year fixed-rate mortgage that is aligned with the current value of your home. You will be required to order a professional appraisal to assess the value of your home.

Since launching in August 2016, *I-Refi* has offered a critical lifeline to homeowners across the state. The program has provided an average of \$38,000 per household to reduce the amount they owe, allowing them to refinance into new loans based on their homes' current values and saving them more than \$360 every month on their new mortgage payments.

This is a federal program, provided via a partnership between the United States Department of the Treasury and the state of Illinois' housing finance agency, the Illinois Housing Development Authority. The program is free and available statewide through a number of local lenders.

"While home sales and values are finally starting to move up in the City of Rockford and Winnebago County, underwater mortgages continue to challenge our citizens," stated Mayor Morrissey. "Our residents need to be made aware of this great resource that can help them bring their home loans into line with the actual value of the property. This can give much needed relief to our residents and encourage new investment that helps to improve home values and stabilize neighborhoods."

Interested homeowners can get started or contact a participating lender at <http://www.ihda.org/irefi>.

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About the Illinois Housing Development Authority

IHDA (www.ihda.org) is a self-supporting state agency that finances the creation and the preservation of affordable housing across Illinois. Since its creation in 1967, IHDA has allocated \$15 billion and financed approximately 250,000 affordable housing units for residents of Illinois